

1984 ANNUAL REPORT



*"I only regret that I have but one life to lose
for my country." — Nathan Hale*

**THE HALE FOUNDATION
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MESSAGE FROM THE PRESIDENT

The Board of Trustees of The Hale Foundation wants you, a valued supporter, to be informed of the Foundation's activities and progress during 1984. As you are aware, The Hale Foundation's sole objective is to enhance the capability of United States intelligence to serve the fundamental objectives of our nation's Constitution:

"insure the domestic tranquility, provide for the common defense, promote the general welfare."

Named after the early American intelligence officer and hero Nathan Hale, The Hale Foundation expanded its efforts in 1984 to educate and convince the public and America's leaders of the importance and necessity of a strong U.S. intelligence community.

One U.S. Senator has written of the work of The Hale Foundation: "I personally have seen how effective The Hale Foundation can be." A U.S. Congressman wrote in 1984 that "[t]he Hale Foundation wants to guarantee that our nation will not lose its life in the future because of an intelligence failure." The Hale Foundation and its educational and research adjunct, The Nathan Hale Institute, worked diligently in 1984 to be worthy of these views. It will continue to do so in 1985.

THE BOARD OF ADVISORS

The Hale Foundation is fortunate to have a Board of Advisors of distinguished Americans who have supported the Foundation's work and conferred great prestige to its efforts. The Board consists of:

Co-chairmen: Lt. Gen. Daniel O. Graham (former Director, DIA), and Eugene H. Methvin (Senior Editor, *Reader's Digest*); and Members: Frank R. Barnett (President, National Strategy Information Center); Hon. Karl Bendetsen (former Undersecretary of the Army); Senator Alfonse D'Amato (R-NY); Norman Darwick (Executive Director, International Association of Chiefs of Police); Hon. Clare Booth Luce (former Ambassador to Italy); Adm. Thomas H. Moorer (former Chairman of the Joint Chiefs of Staff); Prof. Charles E. Rice (Professor of Constitutional Law, Notre Dame Law School); Raymond Rocca (former Deputy Chief, Counterintelligence Staff, CIA); Hon. Laurence Silberman (former Ambassador to Yugoslavia); and W. Raymond Wannall (former Assistant Director, FBI, Intelligence).

TAPS

Until early this year, a most distinguished Board member was General Robert E. Cushman, Jr. (USMC, ret.), one of the most highly decorated combat veterans of World War II. He later served as Deputy Director of the Central Intelligence Agency and as assistant for national security affairs in the White House. The 25th Commandant of the Marine Corps, serving from 1972 to 1975, General Cushman received one of his many decorations in World War II for "fearlessly exposing himself to heavy... fire in order to remain in the front line and obtain firsthand knowledge of the enemy situation."

Always eager to "obtain firsthand knowledge of the enemy situation" — Cushman understood the importance of intelligence to the defense of his country. The Hale Foundation is grateful for his service to the United States and proud that he was willing to serve as a member of the Board of Advisors of The Hale Foundation. We mourn his passing.

INTELLIGENCE INFORMATION ACT

In pursuing its 1984 agenda — as in 1983 — The Hale Foundation continued to support aggressively the passage of H.R. 5164, the House version of the Intelligence Information Act, which it had

supported in the Senate. Efforts were successful in 1984; the bill's passage was an important step in the protection from disclosure of valuable intelligence sources and sensitive information, a primary aim of The Hale Foundation.

The Freedom of Information Act (FOIA), before amendment by this new legislation (H.R. 5164), seriously impeded the effectiveness of U.S. intelligence efforts: it imposed heavy financial burdens on intelligence agencies and diverted valuable senior intelligence officers from their primary mission — the work for which they have been trained and in which they are experienced — the conduct of intelligence operations in defense of the United States.

The new legislation, toward which The Hale Foundation directed major efforts, grants partial relief to the CIA by exempting "operational files" from FOIA searches. The Hale Foundation would have preferred fuller exemption from FOIA searches for agency records but the CIA accepted the terms of the bill. Its passage is an important move in support of the U.S. intelligence community.

The Senate, which had earlier passed a similar bill sponsored by Senator Alfonse D'Amato, unanimously accepted H.R. 5164 as passed by the House. *The President signed the bill into law on October 15, 1984.* The Hale Foundation is proud to have helped along the way.

FEDERAL TORT CLAIMS ACT

The Hale Foundation continued to work in 1984 for legislation to relieve federal employees from the burden of the Federal Tort Claims Act. In 1971, the United States Supreme Court held for the first time that federal employees could be sued personally for alleged constitutional violations.

Since that decision, government investigators are personally liable in law suits for their actions even though these actions are taken in good faith within the scope of their authority and duty. Since 1971, thousands of lawsuits, many having multiple defendants totaling 7,500 to 10,000 government employees, have been filed. Most of these suits, according to the Department of Justice, have been trivial and vindictive.

Current law in the area of tort claims has a chilling and stifling effect on government employees carrying out their duties for regulatory and investigative agencies. Proposed legislation, although not removing a citizen's legal recourse if wronged by the U.S. Government, would curb harassment, increase legitimate recoveries by plaintiffs and lower Government litigation costs. By making the Government itself the sole party defendant in tort claims, the employee who acted in good faith within his authority would be free from the onerous burden of improper actual and threatened civil suits against him.

Despite The Hale Foundation's efforts, Congress showed little interest in 1984 in reforming the Federal Torts Claims Act.

NETWORKING

The Hale Foundation officers and representatives took part in numerous activities — courses, meetings, conventions — of intelligence-oriented or national security-related professional organizations. It continued its membership in, and support of, the "common interest network," an informal group which discusses issues of intelligence interest and the progress of relevant legislation. The Hale Foundation also plays a role in another informal organization, the "world strategy network," which joins persons interested in working together on a broad range of national security issues.

In October 1984, The Hale Foundation arranged for a student of a local high school to attend, as a guest of The Hale Foundation, the national convention of the Association of Former Intelligence

Officers (AFIO), which took place near Washington, D.C. The student, Will Nelson, met dozens of former intelligence officers, attended discussion groups and heard the speeches of numerous luminaries in the intelligence field. He met, among others, William Casey, Director of Central Intelligence and Congressman Henry Hyde of Illinois, recently appointed to the House Permanent Select Committee on Intelligence. The Hale Foundation plans to continue to sponsor students to attend annual AFIO conventions and to promote similar educational activities in the future.



Congressman Henry Hyde with Will Nelson, a student guest sponsored by The Hale Foundation, at the AFIO convention in October, 1984.

ADVOCACY

Representatives of The Hale Foundation continued to be in constant contact with members and staff of the two Congressional intelligence committees.

Statements in support of U.S. covert action, given before the House intelligence committee by Dr. Ray Cline and Major General Richard X. Larkin (USA, ret.), were reprinted by The Hale Foundation and delivered to Members of Congress and widely distributed among the media. Telegrams were sent to Members before key votes on critical intelligence legislation.

In the educational area, The Hale Foundation mailed out in 1984 throughout the United States more than 1,150,000 informational packets on issues of interest to supporters of a strong U.S. intelligence effort.

In 1984, The Hale Foundation collected and delivered to Congress petitions from throughout the country in support of the bills of Congressman Donald L. Ritter of Pennsylvania (H.R. 2360) and Senator Jeremiah A. Denton Jr., of Alabama (S. 1959) to require citizens of Communist countries to register before visiting Members of Congress or their staff. "One top FBI agent admits that the Communist spy network 'outnumbers us 10 to 1.'" Senator Denton charged. "Here on Capitol Hill," according to Representative Ritter, "it is common for Communist diplomats to openly and blatantly contact Congressional staff employees and attempt to elicit information from them...."

HALE PUBLICATIONS

The Hale Foundation's publications are routinely sent to Members of Congress of both political parties and to congressional staff,

as well as to the national media. Congressional response has been both favorable and bipartisan. A Democratic Congressman wrote the following:

"The efforts of The Hale Foundation to inform the Congress of the need to modify the application of the Freedom of Information Act to the Central Intelligence Agency are greatly appreciated."

A prominent Republican Senator wrote to The Hale Foundation that

"as you might guess, a Senator has a lot of information which moves across his desk every day. Even with this process, I feel there are facts that simply would not come to my attention without your help."

Policy makers of both parties have expressed gratitude for The Hale Foundation's information disseminated on the Hill and have complimented The Hale Foundation on the professional quality of its work product.

The Hale Foundation's publications have been requested by the Intelligence Community, universities, libraries, associations of former intelligence professionals, Members of Congress and Congressional committees. They have been sought by members of the armed forces, active duty intelligence personnel and journalists, as well as interested persons in Canada, the United Kingdom and Central America. The President's Foreign Intelligence Advisory Board (PFIAB) is still using the Hale study on the PFIAB to educate its staff and new board members and recently requested additional copies of the original 1981 Hale Foundation publication. "The World Peace Council and Soviet Active Measures" is another Hale Foundation publication still in strong demand.

A WORD ON THE NATHAN HALE INSTITUTE

The Nathan Hale Institute was incorporated in 1983 to complement the Foundation and become the Foundation's educational and research arm. Studies produced by the Institute in 1984 concentrated on counterterrorism, an issue ranking high on The Hale Foundation's agenda. "1984—Year of the Terrorist?" was written by W. Raymond Wannall, a former assistant director of the FBI and expert in the counterintelligence and counterterrorist fields.

Another study by Wannall, "Who is Tracking the Terrorists?" noted that "President Reagan has observed that the only way to prevent terrorist attacks is to infiltrate terrorist groups and intercept and know in advance when they're going to strike." "Who is Tracking the Terrorists?" documents why public support has dwindled and highlights the potential danger to our national security unless law enforcement agencies get back to the important task of tracking domestic terrorists.

In a third study on terrorism, "The Terrorist Underground in the United States," Dr. Samuel T. Francis writes that "a nationwide terrorist underground network is operating in the United States," engaging in bombings and murders for political purposes. The study finds that the remnants of the Weather Underground, the Black Liberation Army, the Armed Forces of National Liberation (FALN), and other terrorist groups of the 1960s and 1970s have linked together in a "movement of independent but cooperating groups that believe in and practices the use of violence for political ends." Francis currently works as a legislative aide to Senator John P. East (R-NC), who is a member of the Subcommittee on Security and Terrorism of the Senate Judiciary Committee.

The most recent Hale Institute release is a study of "active measures," that uniquely Soviet phenomenon imposed on the West by the Soviet Union to carry out its objective of world domination. The author, Lawrence B. Sulc, founder and former president of

The Hale Foundation, and a former intelligence operations officer, resigned from The Hale Foundation in 1984 to return to government service as a Deputy Assistant Secretary of State.

In his study, Sulc briefly outlines the Soviet Union's world view, the "protracted conflict" in which it has engaged the West, and some of the weapons in its arsenal of "active measures" operations: non-bloc communist parties, "wars of liberation," terrorism, communist fronts abroad (such as the U.S. Peace Council), agents of influence, disinformation, forgery operations, clandestine radio broadcasting, and others.

Sulc also treats a specific Soviet active measure promoting a long-lived propaganda theme, the concept that there exists a dichotomy along Communist/Nazi, left/right lines. Allowing for their differences, he writes, the Communist and Nazi systems "were variants of the same awful thing: *totalitarian revolutionary socialism*." The lie that fascism belongs on the right rather than on the left with its communist counterpart is a deliberate and pervasive Soviet myth, he says. (Sulc's views are, of course, not necessarily those of any government agency or department.)

1985 HALE FOUNDATION AGENDA

The 99th Congress, in the first several months into the legislative year, has indicated that it will take a strong interest in intelligence and intelligence-related activities in 1985.

The Hale Foundation hopes to play a more active role in testifying before the Congressional Intelligence Committees as we foresee an increase in adversarial proceedings between the Intelligence Community and its critics. Several organizations opposed to U.S. intelligence have been more active than other pro-intelligence entities. Ironically — and unfortunately — they have come to represent the "American people" in the minds of many observers.

The Hale Foundation plans to take action to educate the public on the pros and cons of the establishment of a joint intelligence committee in the Congress, and the ethics and effectiveness of the use of the polygraph in national security cases. We intend also to be part of the national debate, as we have in the past, on the questions of covert action — also called "special activities" — and paramilitary operations.

Key legislation already introduced in either the House or Senate in 1985 includes:

- **S. 12** — Senator Daniel Moynihan (D-NY) introduced this bill to allow the President to expel Soviet-bloc diplomats who monitor telephone conversations in the United States.
- **S. 274, S. 275, S. 276** — Senator Jeremiah Denton (R-AL), with the passage of this legislation, wishes to define the crime of terrorism, provide the death penalty for terrorist murders, and further modify the Freedom of Information Act to protect the identity of intelligence agents.
- **H.R. 1082** — Congressman Bob Stump (R-AZ) introduced this legislation to improve U.S. ability to conduct intelligence activities and to protect national security secrets. H.R. 1082 contains the Foreign Counterintelligence Investigation Improvements Act, the Foreign Intelligence Source Improvement Act, and the Congressional Security Survey Act.
- **H.J.Res. 7** — Congressman Henry Hyde (R-IL) introduced this bill to provide for the establishment of a Joint Intelligence Committee.

In addition to monitoring these bills (and undoubtedly dozens more will be introduced this session), The Hale Foundation will continue to work to educate the American Congress and the public on terrorism and the consequences to a free society of unchecked, uncontrolled terrorist activity and disruption whether orchestrated by domestic or foreign terrorist groups.